

Supplemental Form 461 Instructions for Nonprofits and other Multipurpose Organizations

Effective July 1, 2014, new rules address the reporting requirements for a nonprofit or other multipurpose organization that makes political expenditures in California.

Qualifying as a Major Donor Committee

A nonprofit or other multipurpose organization must file as a Major Donor Committee in the following situations:

- A multipurpose organization uses only “nondonor funds” to make contributions of \$10,000 or more. Nondonor funds include investment income, including capital gains, income earned from providing goods, services, or facilities, whether related or unrelated to the multipurpose organization’s program, sale of assets, or other receipts that are not donations.
- A multipurpose organization uses donor funds from its general treasury to make contributions totaling between \$10,000 and \$50,000 in a calendar year or totaling \$100,000 or less in a period of four consecutive calendar years. **Note:** A recipient committee must be formed if the organization makes contributions of more than \$50,000 in a period of 12 months or more than \$100,000 in a period of four consecutive calendar years.

Qualifying as an Independent Expenditure Committee

A nonprofit or other multipurpose organization must file as an Independent Expenditure Committee in the following situations:

- A multipurpose organization uses only “nondonor funds” to make independent expenditures of \$1,000 or more. Nondonor funds include investment income, including capital gains, income earned from providing goods, services, or facilities, whether related or unrelated to the multipurpose organization’s program, sale of assets, or other receipts that are not donations.
- A multipurpose organization uses donor funds from its general treasury to make independent expenditures totaling between \$1,000 and \$50,000 in a calendar year or totaling \$100,000 or less in a period of four consecutive calendar years. **Note:** A recipient committee must be formed if the organization makes expenditures of more than \$50,000 in period of 12 months or more than \$100,000 in a period of four consecutive calendar years.

Source of Nondonor Funds

The new rules also require that a nonprofit or other multipurpose organization must briefly describe in the Description of Payment field the source of nondonor funds used to make contributions and independent expenditures. For example, if interest income was used to make the political payments, that must be noted.

Refer to the Form 461 Instructions and Campaign Disclosure Manuals 5 and 6 for additional information. For specific guidance, refer to the Multipurpose Organizations Reporting Political Spending fact sheet [\[link\]](#), Government Code Section 84222, and FPPC Regulation 18422.